

The Department of the TREASURY NEWS

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FOR IMMEDIATE RELEASE

January 20, 1971

TREASURY ANNOUNCES \$29.6 BILLION REFUNDING

The Treasury today announced that it is offering holders of \$29.6 billion of notes and bonds maturing February 15, March 15, and November 15, 1971, and February 15, 1972, an opportunity to exchange their holdings for a 6-1/4% 7-year note or a 5-7/8% 4-1/2 year note. The public holds \$19.5 billion of the securities eligible for exchange, and about \$10.1 billion is held by Federal Reserve and Government accounts.

The securities eligible for exchange are as follows:

- 5-3/8% Treasury Notes of Series C-1971, maturing February 15, 1971
- 7-3/4% Treasury Notes of Series D-1971, maturing February 15, 1971
- 2-1/2% Treasury Bonds of 1966-71, maturing March 15, 1971
- 5-3/8% Treasury Notes of Series B-1971, maturing November 15, 1971
- 7-3/4% Treasury Notes of Series G-1971, maturing November 15, 1971
- 3-7/8% Treasury Bonds of 1971, maturing November 15, 1971
- 4-3/4% Treasury Notes of Series A-1972, maturing February 15, 1972
- 7-1/2% Treasury Notes of Series C-1972, maturing February 15, 1972
- 4% Treasury Bonds of 1972, maturing February 15, 1972

Interest will be adjusted as of February 15, 1971, for the securities due March 15, 1971, November 15, 1971, and February 15, 1972.

The notes being offered in exchange are:

6-1/4% Treasury Notes of Series A-1978, dated February 15, 1971, due February 15, 1978, at par; and

5-7/8% Treasury Notes of Series C-1975, dated February 15, 1971, due August 15, 1975, at par.

Details showing cash and interest adjustments applying in exchanges of securities due March 15 and November 15, 1971, and February 15, 1972, appear in the table at the end of this release.

Cash subscriptions will not be received.

Subscriptions books for the offering will be open until 8:00 p.m., local time, Wednesday, January 27, 1971. To be timely subscriptions MUST BE RECEIVED by a Federal Reserve Bank or Branch or by the Office of the Treasurer of the United States by such time, except that subscriptions addressed to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States postmarked before midnight, Tuesday, January 26, 1971, will be deemed to be timely.

The notes will be made available in registered as well as bearer form in denominations of \$1,000, \$500, \$100, and \$50. All subscribers

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requesting registered notes will be required to furnish appropriate identifying numbers as required on tax returns and other documents submitted to the Internal Revenue Service.

The payment and delivery date for the notes will be February 16.

Any coupons dated February 15, 1971, on notes and bonds tendered in exchange should be detached and cashed when due. The February 15, 1971, interest due on registered notes and bonds will be paid by issue of interest checks in regular course to holders of record on January 15, 1971, the date the transfer books closed. Coupons dated March 15, May 15, August 15 and November 15, 1971, and February 15, 1972, must be attached to the appropriate securities when they are surrendered.

Table of payments to or by Subscribers in exchanges
for the 5-7/8% notes and the 6-1/4% notes
(In dollars per \$100 face value)

Securities to be exchanged	: Payment to (+) : or by (-)	: Payment to : subscribers	: Net amount to be paid : by subscriber	: to subscriber
	: subscribers	: for accrued		
	: to adjust	: interest to		
	: exchange	: February 15,		
	: values	: 1971, on		
		: securities		
		: exchanged		
2-1/2% Bond 3/15/71	- .15	1.056630	-	.906630
5-3/8% Note 11/15/71	+ .60	1.366022	-	1.966022
7-3/4% Note 11/15/71	+2.30	1.969613	-	4.269613
3-7/8% Bond 11/15/71	- .50	.984807	-	.484807
4-3/4% Note 2/15/72	+ .05	-	-	.050000
7-1/2% Note 2/15/72	+2.65	-	-	2.650000
4% Bond 2/15/72	- .50	-	.500000	-